



Base Realignment and Closure Employee Services Guide for Appropriated Fund Employees

A Guide to Placement Programs,
Separation Incentives,
Benefits and Entitlements
Available to Army Employees
Affected by BRAC

21 December 2005

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BRAC Employee Services Guide for Appropriated Fund Employees

This document advises Army appropriated fund civil service employees of programs and entitlements available to employees affected by the 2005 Base Realignment and Closure (BRAC). Specific references are listed in the left hand margin for each program, incentive, and benefit.

This document is merely a guide, and in no way supersedes any issued laws, regulations, or directives. Employees should contact their servicing Human Resource office to clarify their eligibility for the programs, incentives, and benefits listed within this document..

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I. Employees Who Will Move With Their Organization

A. Annual Leave Restoration

Annual Leave Restoration
References:
5 USC 5551(c),
5 USC 6304(d)(3),
[DoD 1400.25-M Sub 1705](#)

1. Almost all Department of the Army civilian employees directly affected by BRAC are entitled to carry leave in excess of the normal 240 hours. Exceptions are:
 - Employees at organizations that will relocate within the same commuting area under BRAC, and
 - Employees at organizations designated to continue operations at a base after it closes are also ineligible.
2. This entitlement is automatically given to employees who qualify (see paragraph above).
3. When the organization completes its closure or realignment, the employees will receive a lump sum payment for any leave in excess of 240 hours accrued under this clause. At that time, their eligibility for this benefit will cease.

B. House Hunting Trips (HHT)

HHT Reference:
[JTR, Vol 2, Chap 5, Part M](#)

1. At the discretion of the organization, an employee relocating under Permanent Change of Station (PCS) may be authorized round trip travel for up to 10 days for the him/herself and his/her spouse for the purpose of seeking residence quarters.
2. Separate round trips by the employee and spouse may be allowed provided the overall cost is less than or equal to the cost of one round trip for the employee and spouse traveling together.
3. Use of air transport, rental cars, or mass transit is encouraged to maximize the time available for searching.
4. Employee's [temporary subsistence expense \(TOSE\)](#) will be reduced by the number of days taken for HHT.
5. HHT is not authorized until employee has agreed to transfer and the date of the transfer has been established.

C. Travel and Transportation Expense Reimbursement

Travel Exp Reimbursement
Reference:
[JTR, Vol 2, Chap 5, Part A](#)

1. Employees who move under Permanent Change of Station (PCS) with their organization during BRAC will be reimbursed for travel and transportation expenses.
2. This includes per diem for the employee and his/her dependents for the duration of travel. Per diem rates for dependents vary depending on whether or not they travel in conjunction with the employee.
3. Employees who drive a personally-owned vehicle (POV) to the new duty station will be reimbursed for mileage. Parking fees and tolls are reimbursable.

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D. Movement of Household Goods

Household Goods
Reference:
[JTR, Vol 2, Chap 5, Part D](#)

1. Government will pay to move up to 18,000 pounds of household goods for employees who move under Permanent Change of Station (PCS). This includes goods stored in connection with transportation.
2. Employees are authorized up to 90 days of temporary storage of household goods in conjunction with the move. The commander may extend this by another 90 days if the employee requests the extension in writing.

E. Temporary Quarters

TQSE Reference:
[JTR, Vol 2, Chap 13](#)

1. The organization has the discretion to authorize TQSE to an employee who must occupy temporary quarters during a Permanent Change of Station (PCS) move because arranged permanent quarters remain occupied by the present tenant, require repairs/alternations that have not been completed, or are under construction.
2. Time limit is 60 days, which can be extended an additional 60 days for compelling reasons.
3. Employee may occupy temporary quarters while dependents live elsewhere.
4. TQSE covers temporary lodging, meals/groceries, tips and fees related to lodging and meals, laundry and dry cleaning.
5. Receipts are required for lodging, laundry (not including coin-operated machines), dry cleaning, and single expenses over \$75.00. Expenses must be itemized on the reimbursement claim.
6. Reimbursement is based on TSQE per diem rates. Employees should contact their local Human Resource Office for their rate.

F. Real Estate Expense Reimbursement

Real Estate Reimbursement
Reference:
[JTR, Vol 2, Chap 14](#)

1. The Government will reimburse an employee relocating under Permanent Change of Station (PCS) for certain expenses incurred in connection with:
 - the sale of the employee's residence at the old duty station (providing that employee was actually residing there at the time s/he was first informed by appropriate authority that transfer to a new PDS was definite),
 - the settlement of an unexpired lease involving the residence or a lot on which a mobile home used as a residence was located, or
 - the purchase (including construction) of the employee's new residence at the new duty station.
2. This settlement dates for the situations listed in the above paragraph cannot be later than two years after the employee's effective date of transfer.

G. Defense National Relocation Program (DNRP) Overview

DNRP Reference:
[DNRP Handbook,](#)
[JTR, Vol 2, Chap 15 Part A](#)

1. DNRP provides DoD civilian employees assistance to relocate promptly, thereby minimizing family separation and encouraging productivity at the new duty station. Each DoD agency establishes eligibility criteria for the use of DNRP by its transferring civilian employees. The Department of Army's policy entitles those homeowners whose positions are effected by a management decision such as BRAC to use the services of DNRP. The National Relocation Program Office (NRPO) of the U.S. Army Corps of Engineers administers the contract to provide DNRP services. The NRPO may be contacted toll-free at 1-800-344-2501.

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H. DNRP Initiation Counseling

1. Employees should contact their local Human Resource office to verify their eligibility to use DNRP.
2. DNRP initiation counseling provides general information on DoD relocation policy and services, or refers the employee to appropriate contacts for specific interpretation of policy and/or contract requirements. In addition, it:
 - Assists the employee in selecting, planning, and scheduling relocation services to meet family needs and time requirements,
 - Informs employees of current procedures for requesting and ordering both government-paid and free relocation services as appropriate,
 - Assists employee in preparing and listing home for sale,
 - Arranges for qualified real estate firms in the new area to provide information on communities, housing, schools, etc,
 - Assigns a Destination Counselor at the final destination area to the employee,
 - Assists the employee in finding temporary quarters,
 - Assigns a Relocation Specialist for [Guaranteed Homesale Service \(GHS\)](#) or a Home Management Coordinator for [Property Management \(PM\)](#) to the employee at the time the [DNRP contractor](#) receives the GHS or PM order from the National Relocation Program Office.

Initiation Counseling
Reference:
[DNRP Handbook Section 4](#)

I. DNRP Marketing Assistance

1. Employees should contact their local Human Resource office to verify their eligibility to use DNRP.
2. DNRP Marketing Assistance is designed to help an employee actively market his/her home and obtain the highest possible price, with the goal of obtaining an Amended Value Sale which may net a greater amount than the appraisal value under the [Guaranteed Homesale Service](#) offer.
3. The employee will be assigned a Relocation Specialist, who will
 - Recommend listing brokers,
 - Analyze the marketing strategy and make suggestions,
 - Review property currently on the market and those recently sold to help the employee set a realistic list price,
 - Identify any repairs/improvements that make expedite the sale.

Marketing Assistance
Reference:
[DNRP Handbook Section 6](#)

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J. DNRP Guaranteed Homesale Service (GHS)

1. Employees should contact their local Human Resource office to verify their eligibility to use this DNRP service.
2. GHS is an alternative process which relieves the employee of the burden of selling his/her home, waiting for the sale to close to receive equity, and submitting vouchers for reimbursement of real estate expenses. The [DNRP contractor](#) will purchase the employee's primary residence at the current market value based on appraisals or a market-based offer. The NRPO should be contacted at 1-800-344-2501 for details of this service.
3. As of 30 June 2005, the maximum home value for which GHS is payable is \$750,000.00, unless waived by the paying activity (ref [JTR, Chapter 15, C15003.D](#)).
4. The employee is responsible for all normal federal and state taxes, including capital gains, resulting from the sale of the home.
5. National Relocation Program Office staff will contact the employee within two working days of receipt of the employee's approved application and travel orders from the employee's agency.
6. To be eligible, the employee's residence must:
 - Be located in the U.S., its territories, or its possessions,
 - Be a house, townhouse, or condominium (mobile homes, houseboats, and other residences not permanently affixed or located on land not owned by the employee, and cooperative housing are NOT eligible for GHS),
 - Be the place from which the employee commuted to and from work on a regular basis at the time s/he was officially notified of the transfer,
 - Be in title to the employee or eligible dependents at the time s/he was officially notified of the transfer,
 - Be improved real estate, owned and used by the employee as a principle residence,
 - Be insurable, financeable, and complete (including construction, plumbing, and electricity),
 - Conform to local building code requirements for resale, and
 - Be free of hazardous conditions.

GHS References:

[DNRP Handbook Section 7, JTR, Vol 2, Chap 15 Part A](#)

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K. Home Marketing Incentive Payment (HMIP)

1. HMIP is a discretionary incentive that can only be used in conjunction with DNRP. Not all employees will be authorized HMIP. Authorization authority for HMIP is delegated to the Army MACOMs. MACOMs may choose to re-delegate this authority to local commanders.
2. The Government will pay an eligible employee an incentive to encourage the employee to aggressively market and find a bona fide buyer for his/her residence resulting in a successful amended-value sale as part of the DNRP. This reduces government relocation costs significantly.
3. The Component determines payment amount. That amount will not exceed the least of:
 - One to five percent of the price that the [DNRP contractor](#) paid when it purchased the residence,
 - \$10,000, or
 - One half of the savings realized from the reduced fee/expenses paid as a result of the employee finding a bona fide buyer and closing the sale (if no savings are realized, HMIP may not be paid).
4. To be eligible, the employee must:
 - Enter his/her residence in the [DNRP GHS program](#),
 - Independently and aggressively market the residence,
 - Find a bona fide buyer for the residence as a result of independent marketing efforts,
 - Transfer the residence to the [DNRP contracted company](#) as an amended-value sale, through which the buyer completes the sale, and
 - Meet any additional conditions established by the Component.
5. HMIP is authorized and processed by the MACOM. Neither the [DNRP contractor](#), nor the National Relocation Program Office is responsible for HMIP.

HMIP References:

[JTR, Vol 2, Chap 15 Part C](#),
[DNRP Handbook Section 7](#)

L. DNRP Property Management (PM) Services

1. Employees should contact their local Human Resource office to verify their eligibility to use this DNRP service.
2. PM assists the employee in renting his/her home. The employee must establish and maintain an account called a Reserve Operating Account (ROA). The Home Management Coordinator will deposit rental income into the account and pay mortgage, repairs and maintenance from it. Failure to maintain a minimum balance in this account could result in termination of Property Management services.
3. The employee will be assigned a Home Management Coordinator by the [DNRP contractor](#). The Home Management Coordinator will:
 - Assign a local property manager acceptable to the employee,
 - Help the employee develop a rental marketing strategy,
 - Establish a market rental value,

PM References:

[DNRP Handbook Section 8](#),
[JTR, Vol 2, Chap 15 Part B](#)

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- Make every effort to find a tenant and negotiate a lease,
- Collect and account for rental income,
- Pay mortgage and other carrying expenses from the employee's ROA,
- Inspect the property once per quarter,
- Expedite emergency repairs,
- Arrange for major repairs and maintenance approved by the employee,
- Handle all tenant negotiations, and
- Report to the employee every quarter on the property and ROA.

M. DNRP Destination Services

1. Destination Services are a no-fee provision of the [DNRP contract](#) and are available at no charge to all DoD civilians. There is no requirement for official transfer to use these services. Employees may contact the DNRP contractor directly or call the NRPO at 1-800-344-2501 for service.
2. The [DNRP contractor](#) will assign the employee a Destination Counselor, who will assist employee in making wise buying, mortgage, or renting choices at the new duty station.
3. To assist home buyers, the Destination Counselor will:
 - Contact the employee to discuss specific family needs and send information about the new area
 - Recommend a professional, qualified real estate firm. Realtor will contact the employee within 24 hours of this referral.
 - Assist in planning and scheduling a [House Hunting Trip](#) with the Realtor
 - Arrange for the Realtor to prepare a written competitive market analysis on the property selected by the employee. This will aid the employee in making an informed home buying choice and will suggest an appropriate price and terms for negotiating the purchase; and
 - Direct the Realtor to advise the employee of any appropriate inspections and include contingencies for them in the purchase contract
 - NOTE: Employee should check with the local Board of Realtors for any special tax laws and exemptions involving the purchase of a home.
4. To assist home renters, the Destination Counselor will:
 - Discuss housing, lifestyle, and scheduling requirements to determine the employee's needs,
 - Send information about the new area to help in the house-hunting process, and
 - Recommend a qualified broker or professional rental management agency knowledgeable about the rental market in the new area.
 - Any "finder's fee" charged by rental brokers is the employee's responsibility. It is not covered by Destination Services or reimbursable by the Government.

Destination Services
Reference:
[DNRP Handbook Section 9](#)

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5. For Mortgage Counseling, the Destination Counselor will advise the employee on:
 - Types of mortgages, rates, fees, basic lender qualification requirements, and availability of financing in the destination area,
 - Various local and national lending institutions, so that the employee may compare interest rates and types of loans available, and
 - Pre-qualifying for a mortgage. The employee can request verbal pre-qualification at any time without cost or obligation. Written pre-qualification commitment requires a credit report, and the employee will be responsible for a credit report fee. Pre-qualification is an asset during contract negotiations on a new home.

II. Employees Who Will Not Move, But Will Remain in Federal Employment

A. Annual Leave Restoration

Annual Leave Restoration
References:
5 USC 5551(c),
5 USC 6304(d)(3),
[DoD 1400.25-M Sub 1705](#)

1. Almost all Department of the Army civilian employees directly affected by BRAC are entitled to carry leave in excess of the normal 240 hours. Exceptions are:
 - Employees at organizations that will relocate within the same commuting area under BRAC, and
 - Employees at organizations designated to continue operations at a base after it closes are also ineligible.
2. This entitlement is automatically given to employees who qualify (see paragraph above).
3. When the employee leaves the organization affected by BRAC (for any reason), s/he will be paid lump sum for any leave in excess of 240 hours accrued under this clause. Unless s/he has taken a position with another organization affected by BRAC, s/he will no longer be eligible for this benefit.

B. Priority Placement Program (PPP)

PPP References:
[DoD Directive 1400.20](#),
[DoD 1400.25-M Subchap 1800](#),
[PPP Operations Manual](#)

1. The PPP provides eligible employees the maximum opportunity for placement assistance in other DoD positions and locations.
2. An employee serving on a permanent appointment may be eligible to register in PPP if s/he is being involuntarily separated or demoted through no fault of his/her own.
3. Registration is authorized when the employee receives a specific written notice of separation or demotion. In the case of Reduction-in-Force (RIF), the commander or activity head has the authority to approve registration up to 1 year prior to the RIF effective date, provided that the circumstances allow for early registration. The commander or activity head may also obtain approval for up to 1 additional year of early registration, but this is normally granted only for closing installations.
4. To be eligible for a specific vacancy, the employee must be well qualified for the position. “Well qualified” means the candidate will be able to successfully perform all required duties after a reasonable orientation period and without any significant training.
5. There are three priority levels in the PPP, and each priority reflects the severity of the specific displacement action. The highest priority (Priority 1) is for employees being separated by RIF without a job offer. Other employees are registered with lower priorities. The employee’s priority will determine whether the recruiting agency can fill the job from non-PPP sources. It will also determine the order in which offers are made if more than one PPP registrant is referred.
6. If the employee accepts a PPP offer from a DoD installation outside of his/her commuting area, the Department will reimburse moving expenses based on the provisions of the [DoD Joint Travel Regulations, Volume 2](#). However, employees may only register for jobs in other areas if they are being separated due to RIF or as a result of declining relocation outside of their commuting area. If an employee declines relocation outside his/her commuting area, s/he can only register for areas that are closer than the location of the position that was declined.

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C. *Re-Employment Priority List (RPL)*

1. The RPL provides priority reemployment consideration for competitive service career or career-conditional employees who have been, or will be, separated by reduction in force (RIF).
2. RPL rights apply only to DoD installations within the same commuting area as the position from which the employee has been, or will be, separated. If registered for the RPL, the employee will receive preference over non-DoD applicants for vacant competitive service DoD positions that match his/her qualifications. The employee may register upon receipt of a specific RIF separation notice or, if offered by his/her installation, a Certificate of Expected Separation (CES). Eligibility to register expires 30 days after the employee has been separated. Once registered, career-conditional employees may remain on the RPL for up to one year; career employees are eligible for two years.
3. RPL registration will terminate prior to the end of the eligibility period if the employee requests removal, or:

RPL References:
5 CFR 330, Subpart B,
[DoD 1400.25-M Sub 330](#)

- Separates for other reasons prior to the RIF effective date;
 - Accepts a permanent appointment in any Federal agency;
 - Declines or fails to respond to a written offer or inquiry of availability for a position with the same type of work schedule and a representative rate of pay at least as high as the position from which the employee has been, or will be, separated;
 - Declines or fails to appear for an interview; or
 - Cannot be contacted.
4. This program is entirely separate from the DoD Priority Placement Program (PPP) and requires a separate application.

D. *Interagency Career Transition Assistance Plan (ICTAP)*

1. Through ICTAP, qualified DoD employees may receive employment preference for jobs in other Federal agencies within the same commuting area, providing those agencies are hiring from outside of their current workforce. If one or more ICTAP applicants are rated well qualified by the recruiting agency, the agency cannot select any other external applicant.
2. To be eligible for the ICTAP, the employee must be a “displaced” employee as defined in 5 CFR 330.703. Although there are several categories of displaced employees, eligibility is usually based on involuntary separation from a career or career-conditional competitive service appointment due to:
 - Reduction in force (RIF); or
 - Declination of transfer of function or directed reassignment outside of the current commuting area.
3. Unlike the [Priority Placement Program \(PPP\)](#) and the [Reemployment Priority List \(RPL\)](#), which feature automated registration and referral systems for DoD positions, the ICTAP requires employees to apply for individual job vacancies in order to receive employment preference. When applying, the employee must provide a copy of the separation notice or, if applying after separation, must provide a copy of the Standard Form (SF) 50 showing that s/he has been separated.
4. During the eligibility period, the employment preference offered through ICTAP only applies to jobs at or below the grade of the position from which the employee will be, or has been, separated. The Office of Personnel Management requires agencies to announce all competitive service vacancies at <http://www.usajobs.opm.gov> when accepting applications

ICTAP References:
5 CFR 330, Subpart G,
[DoD 1400.25-M Sub1703](#)

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from outside the agency. If eligible for ICTAP, employees can use this website to search for vacancies that are open to ICTAP applicants.

5. Eligibility for the ICTAP expires one year after separation or when the employee accepts a permanent career, career-conditional, or excepted appointment at any grade in any Federal agency.

E. Hiring Preference for Contractor Jobs

1. If an employee is adversely affected by a decision to contract out the organization's work, or if a base is closing and a contractor is retained to prepare the installation for closure or to maintain it after closure, that contractor must give qualified DoD employees the "right of first refusal" for vacant positions. In the case of closing bases, the types of jobs most commonly available include:
 - Environmental cleanup and restoration;
 - Utilities modification;
 - Roads and grounds work;
 - Security; or
 - Fire protection.
2. Hiring for contractor positions must be consistent with the conflict of interest standards that normally apply to post-Government employment (see Chapter 9 of the [Joint Ethics Regulation](#)). For example, employees may be restricted for a given time period from seeking employment with a contractor if his/her DoD job required making decisions about awarding contracts to that employer.
3. The employee's Human Resource office is responsible for obtaining and posting information on contractor job openings, and for verifying eligibility for hiring preference. It's the employee's responsibility to apply for specific jobs if eligible and interested.
4. Employees who retire under the [Voluntary Early Retirement Authority \(VERA\)](#) receive [Voluntary Separation Incentive Pay \(VSIP\)](#), or both, are ineligible for this hiring preference.

Hiring Preference for Contractor Jobs References:
[Federal Acquisition Regulation Part 52](#),
[DoD 1400.25-M Sub 1703](#)

F. Job Exchange

1. Employees at closing bases who are not eligible to retire may have the opportunity to continue their DoD career by exchanging jobs with another employee. Employees who are eligible, or will soon be eligible, for retirement may be interested in moving to a closing base since this program provides them a chance to leave the Federal Service sooner than would otherwise be feasible, and would qualify them for certain separation benefits.
2. Employees interested in a job exchange should contact their local Human Resource office. That office will register his/her position online in a system administered through the DoD [Priority Placement Program \(PPP\)](#). Non-closing installations are then required to publicize job exchange opportunities along with other vacancy announcements. If a DoD employee at a non-closing installation expresses interest in the position, his/her Human Resource office will review the qualifications of the employee who is not retiring to determine whether s/he is qualified to perform the duties of the position currently held by the job exchange candidate.
3. Both the closing and non-closing installations must agree to the exchange before formal offers can be made, and the closing installation is responsible for any reimbursable relocation expenses for both employees.
4. Job exchanges are allowed only when the two employees occupy positions at the same grade, and only if the employee being reassigned to the closing installation will be eligible for optional retirement or discontinued service retirement (DSR) on or before the closure date. If

Job Exchange References:
[PPP Operations Manual Chap 4](#),
[DoD 1400.25-M Sub 1705](#)

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eligibility for the job exchange is based on DSR eligibility, the employee reassigned to the closing installation must remain employed there for at least 12 months before retiring and the position must be designated as "critical" to installation operations. Additionally, employees must acknowledge in writing that they will remain in their new positions until released by the closing installation, and they will not be eligible for registration in the PPP in conjunction with the installation's closure.

5. The position at the closing installation must be expected to last for at least 12 months after the employee is selected for the job exchange. If it will not last that long, the employee is ineligible to participate in job exchange.

G. DoD-OPM Interchange Agreement

1. The Department of Defense (DoD) and the Office of Personnel Management (OPM) have an interchange agreement permitting employees to move between DoD non-appropriated fund (NAF) positions and civil service (appropriated fund) positions. Employees appointed under this agreement receive credit for previous service toward career tenure requirements and do not have to serve a new probationary period in the gaining employment system.
2. To apply and be selected for a position under the DoD/OPM Interchange Agreement, an employee must meet all of the following eligibility requirements:
 - Be serving under a career or career-conditional civil service appointment or a continuing NAF appointment without time limits, or have been involuntarily separated from such an appointment without personal cause within the preceding year.
 - Have served continuously for at least 1 year in the type of appointment described above.
 - If the employee previously met this requirement, separated, and later returned to such an appointment, s/he is considered to have met the one-year requirement.
 - Any NAF appointment without a time limit is considered a continuing position, including a NAF Flexible position.
 - If the employee worked in a continuing NAF position with an intermittent or on-call work schedule, his/her NAF service must be equivalent to one year, in accordance with civil service rules in title 5, Code of Federal Regulations (CFR), 315.201(b)(4).
 - Be qualified for the position to which applying.
 - Be appointed without a break in service of more than 1 workday, or be appointed within 1 year after being involuntarily separated from the losing employment system.
3. NAF employees who meet the above requirements may be considered for appointment to competitive civil service appointments in the same manner that employees of the competitive service may be considered for transfer to such positions. This applies to all Federal competitive service appointments, not just those in DoD. Civil service employees who meet the requirements may be considered for DoD NAF positions on a similar basis.
4. Employees moving between DoD NAF and DoD appropriated fund positions with a break in service of 3 days or less should consult with their Human Resource office regarding portability of benefits provisions.

Interchange Agreement

References:

[DoD 1400.25-M, Subchap 1403.](#)

OPM Webpage:

<http://www.opm.gov/employ/html/sr/oa2.asp#InterchangeAgreementsWithOtherMeritSystems>

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H. Portability of Benefits

1. The DoD-OPM Interchange Agreement allows employees to move between the non-appropriated fund (NAF) employment system and the appropriated fund civil service system.
2. The DoD non-appropriated fund (NAF) employment system is governed by laws and regulations that, with a few exceptions, are different from those governing appropriated fund civil service positions. NAF employee benefit programs, such as retirement, health, and life insurance, are different from the benefit programs covering appropriated fund civil service employees. Unless specifically provided by law or regulation, NAF service is not creditable for purposes of civil service benefits, and service in an appropriated fund position is not creditable for purposes of DoD NAF benefits. Fortunately, there are some laws and regulations that enable DoD employees to move between NAF and appropriated fund positions without suffering a large loss in pay or benefits. This is known as “portability.”
3. An employee who moves between a DoD appropriated fund civil service position and a DoD NAF position with a break in service of 3 days or less is eligible for a range of pay and benefit protections. The Portability of Benefits for Non-appropriated Fund Employees Act of 1990, Public Law 101-508, permits eligible employees to transfer annual, sick, and home leave balances between the two employment systems; receive service credit for annual leave accrual and Reduction-in-Force/NAF Business Based Action purposes; and have their highest previous rate of pay considered when applying for a job in the other employment system. Appropriated fund civil service and DoD NAF regulations also permit service credit for severance pay purposes, and authorization for travel, transportation, and relocation allowances.
4. Public Law 104-106 and Public Law 107-107 expanded employee’s retirement election opportunities to make it easier for employees to continue retirement coverage after moving between appropriated fund and NAF positions. Eligible employees who move, with a break in service of 1 year or less, between DoD NAF positions and retirement-covered civil service positions in any agency, may elect to continue retirement coverage in the losing employment system’s retirement plan.
5. Employees who move between the two employment systems should consult both the NAF and appropriated fund civil service Human Resource offices to ensure pay and benefits are handled appropriately in both employment systems.

Portability of Benefits
Reference:
[“Portability of Benefits for Moves Between Civil Service and Nonappropriated Fund Employment Systems” CPMS Reference Guide, July 2004](#)

III. Employees Who Will Leave Federal Employment

A. Annual Leave Restoration

1. Almost all Department of the Army civilian employees directly affected by BRAC are entitled to carry leave in excess of the normal 240 hours. Exceptions are:
 - Employees at organizations that will relocate within the same commuting area under BRAC, and
 - Employees at organizations designated to continue operations at a base after it closes are also ineligible.
2. This entitlement is automatically given to employees who qualify (see paragraph above).
3. When the employee separates, s/he will be paid lump sum for any leave in excess of 240 hours accrued under this clause.

Annual Leave Restoration
References:
5 USC 5551(c),
5 USC 6304(d)(3),
[DoD 1400.25-M Sub 1705](#)

B. Voluntary Separation Incentive Pay (VSIP)

1. VSIP is a tool used for reducing involuntary separations during downsizing or base closure, and for restructuring the workforce at installations that are not facing personnel reductions. If an employee's voluntary separation would help to achieve either of these objectives, s/he may have an opportunity to apply for VSIP if offered at his/her installation.
2. By accepting VSIP, the employee must agree to separate voluntarily by optional retirement, early retirement under the [Voluntary Early Retirement Authority \(VERA\)](#), or resignation.
3. To be eligible, the employee must be a U.S. citizen serving on a permanent appointment and have at least 12 months of continuous DoD employment. However, even if s/he meets these basic requirements, there are a number of reasons why s/he may be ineligible for VSIP unless a waiver is granted.
4. The VSIP payment is \$25,000 or the amount of severance pay the employee would receive under the standard formula used to compute severance pay, whichever is less. It may be paid in a lump sum or in installments, but VSIP is taxable regardless of the payment option the employee chooses. An employee does not have to be eligible for severance pay in order to receive VSIP.
5. Certain restrictions apply to reemployment within the Federal Government for those who have received VSIP. They cannot be rehired by a DoD agency within 12 months of separation, and cannot return to work for any Federal agency within five years, including under a personal services contract, without repaying the full VSIP amount. Finally, employees who receive VSIP are ineligible to be registered in the DoD [Priority Placement Program \(PPP\)](#).

VSIP Reference:
5 USC 9902(i)

C. VSIP Phase II

1. Under VSIP Phase II, DoD may offer cash incentives to encourage employees at non-downsizing installations to resign or retire to create vacancies for DoD [Priority Placement Program \(PPP\)](#) registrants who are facing involuntary separation at downsizing or closing activities. The authority to offer VSIP Phase II is delegated to installation commanders and activity heads.
2. The VSIP Phase II process begins when non-downsizing installations survey their employees for general interest in applying for [VSIP](#). A positive response to the survey does not

VSIP Phase II Reference:
5 USC 9902(i)

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constitute an application for voluntary separation, but it does allow the supporting Human Resources office to query [PPP](#) for eligible registrants who are qualified for a job and registered for referral to the installation. An employee must be eligible under the standard [VSIP](#) requirements in order to participate in VSIP Phase II, and his/her position must be expected to continue for at least 24 months.

3. If an employee expresses an interest in [VSIP](#) and an eligible PPP registrant is referred for his/her position, the employee's Human Resource office will then ask if s/he is ready to submit a formal application for [VSIP](#). If the employee applies and the PPP registrant is determined to be well qualified for that position, an offer will be extended.
4. The employee may withdraw his/her application at any time before his/her Human Resource office is notified that the PPP registrant has accepted the offer. Once the Human Resource office receives notification of acceptance, the employee is committed to separate voluntarily by resignation, optional retirement, or early retirement.

D. Voluntary Early Retirement Authority (VERA)

1. Employees affected by BRAC who are not eligible for optional retirement may qualify for early retirement under VERA if their voluntary separation would reduce the number of employees who would otherwise be separated involuntarily.
2. To qualify for VERA, an employee must be at least 50 years of age with at least 20 years of creditable service, or must have completed 25 years of service at any age. These requirements apply whether the employee is covered under the Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS). However, if an employee covered by CSRS accepts VERA, his/her annuity is reduced by two percent for every year of age under 55.
3. To be eligible for VERA, the employee must be serving under an appointment without time limitation and must have been employed by the Department continuously for more than 30 days before the installation's decision to reduce or restructure the workforce was approved. Employees who have received a decision notice of involuntary separation for misconduct or unacceptable performance, or a specific Reduction-in-Force (RIF) separation notice are ineligible.
4. If there is a need to reduce or restructure the workforce, the installation may offer VERA to all eligible employees or it may target specific groups of employees. The targeted groups may be identified on the basis of factors such as organizational unit, job series or grade, geographic area, skills, or other factors.
5. VERA is not an entitlement. Regardless of eligibility, employees who are interested in VERA may not have the opportunity to apply. There may be more VERA applicants than available offers. If this occurs, offers are made in seniority order based on the applicants' leave service computation dates.
6. Employees approved for VERA must normally be off the rolls on or before the effective date of the RIF. However, employees who won't be eligible for VERA by the RIF effective date may be allowed to use annual leave to stay on the rolls long enough to reach retirement eligibility (see [Extended Employment during RIF](#)). Since VERA can be offered in combination with [Voluntary Separation Incentive Pay \(VSIP\)](#), employees should understand that they are not eligible for the extended employment benefit if they accept VSIP.

VERA Reference:
5 USC 9902(i)

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E. Unemployment Compensation

Unemployment Comp
References:
5 USC 85,
20 CFR 609

1. Unemployment compensation provides monetary payments for a given period of time, or until employee finds a new job.
2. Eligibility and time period vary because each State develops and administers its own program.
3. Other benefits received at time of separation, such as VSIP, may affect the employee's entitlement.
4. Contact the [State Employment Security Agencies](#) (contacts for each state can be found at http://www.ows.doleta.gov/dmstree/gal/gal95/gal_02-95.htm) for information on each state. Additional information is available at <http://workforcesecurity.doleta.gov/map>.

F. Severance Pay

Severance Pay References:
5 CFR 550 Subpart G,
5 USC 5595(i),
[DoD 1400.25-M Chap 1700](#)

1. Employees who receive a specific notice of involuntary separation through no fault of their own may be entitled to severance pay. In order to be eligible for severance pay, an employee must be serving under a qualifying appointment, have completed at least 12 months of continuous Federal service without a single break in service of more than 3 calendar days, and must not have declined a reasonable job offer.
2. An employee is ineligible for severance pay if, on the date of separation, s/he is eligible for an immediate annuity from a Federal civilian retirement system or from the uniformed services. An employee receiving injury compensation is also ineligible, unless s/he is receiving compensation concurrently with pay, or the compensation is the result of someone else's death.
3. Severance pay is calculated using years of creditable civilian service, basic pay (which may include premium pay and night shift differential), and age. The maximum severance pay entitlement over an employee's lifetime is limited to the amount that would provide 52 weeks of pay. Any severance pay received due to prior separations is deducted from the lifetime entitlement. For example, if an employee previously received 20 weeks of severance pay, the maximum entitlement for subsequent separations would be 32 weeks.
4. DoD employees have the option to receive severance pay in a lump sum or in bi-weekly payments. If an employee chooses the lump sum option, his/her severance pay may be subject to repayment on a pro-rated basis if s/he is reemployed by the Federal Government before the end of the period during which s/he would have received severance pay under the bi-weekly payment option.

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G. Outplacement Assistance

1. Commanders and activity heads are authorized to use appropriated funds to provide outplacement assistance to employees who are adversely affected by BRAC. For this purpose, “outplacement assistance” means helping employees prepare for jobs outside the Department of Defense, including private industry.
2. Outplacement assistance is normally provided at the installation or activity level through a Human Resources office or transition center, and may include such services as:

Outplacement Asst References:
[Comptroller General Decision B-226380 \(5 Dec 88\)](#),
[DoD 1400.25-M Sub 1703](#)

- Career transition and remedial training;
 - Contractor placement services for which there are no placement fees;
 - Administrative support, such as use of computers, copiers and other equipment; and
 - Clerical support to prepare job applications and/or resumes.
3. In addition, installations may provide career counseling, career interest and assessment tools, help in preparing displaced employees when they're job searching (e.g., interview techniques, dressing for success, how to write a resume, etc.), and emotional and financial counseling. Installation Human Resource offices and transition centers can provide more information about the services that are available.

H. Extended Employment During Reduction-in-Force (RIF)

1. In accordance with 5 CFR 351.606(b), certain employees who are being involuntarily separated through no fault of their own have the option of being carried on the agency's employment rolls beyond the reduction in force (RIF) effective date in order to reach initial eligibility for:

Extended Employment During
RIF References:
5 CFR 351.606(b),
[DoD 1400.25-M Sub 1704](#)

- Retirement; and/or
 - Continuance of Federal Employees' Health Benefits (FEHB) into retirement.
2. Employees are eligible for this benefit if they are being separated by RIF or if they decline an offer to relocate outside of the commuting area. In order to be retained under this special provision, an employee must have sufficient annual leave to attain eligibility for immediate retirement and/or for continuation of FEHB into retirement.
 3. If an employee elects to take advantage of this option, his/her installation is required to carry him/her in an annual leave status beyond the scheduled separation date. The employee cannot be retained past the date s/he first becomes eligible for immediate retirement or for continuation of health benefits into retirement, but can be retained long enough to satisfy both retirement and health benefits requirements.
 4. Employees may not use sick leave to extend employment for this purpose.

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I. Waiver of FEHB Minimum Participation Requirement

1. Normally, employees must be enrolled in the Federal Employees' Health Benefits (FEHB) program, or be covered by the enrollment of a family member, for a minimum of five years in order to continue health benefits coverage into retirement. However, the Office of Personnel Management (OPM) has granted pre-approved waivers of this requirement for certain employees who retire during a period when agencies are authorized to use [Voluntary Separation Incentive Pay \(VSIP\)](#) and/or the [Voluntary Early Retirement Authority \(VERA\)](#). Under the permanent DoD [VSIP](#) and [VERA](#) authority, this period begins October 1 each year.
2. Employees who want to continue coverage but do not meet the 5-year requirement may be eligible for the pre-approved waiver if they have been continuously enrolled in the FEHB program since October 1 of the current fiscal year and:

Waiver of FEHB Min Participation Requirement References:
[OPM BAL 04-208 8 Sep 04](#),
[DoD 1400-25-M Sub 1704](#)

- Receive a [VSIP](#);
 - Take early optional retirement; or
 - Take discontinued service retirement (DSR) based on an involuntary separation.
3. For those employees who do not qualify for a pre-approved waiver, OPM has the authority to waive the FEHB minimum participation requirements on a case-by-case basis. In these situations, OPM makes the decision no earlier than 3 months before the employee's retirement date.

J. Outplacement Subsidy

1. Under the statutory authority in 5 U.S.C. 5724(e), the Department may offer outplacement subsidies as an incentive to encourage other Federal agencies to hire displaced DoD employees. If an employee is being separated as a result of reduction in force (RIF) or transfer of function, and s/he accepts a non-DoD Federal job in another area, the Department may reimburse his/her new agency for up to \$20,000 of the moving expenses.
2. Employees at installations offering this subsidy will receive information to include with applications for jobs at other Federal agencies. In order to take advantage of this program, employees must apply for vacant positions and advise the gaining agency of the availability of the outplacement subsidy.
3. Employees who decline valid job offers through the DoD [Priority Placement Program \(PPP\)](#) are ineligible for outplacement subsidies.

Outplacement Subsidy Reference:
5 USC 5724(e)